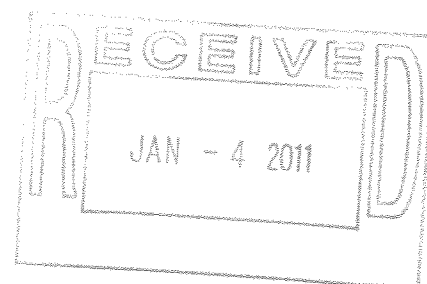


December 30, 2010

**Certified Mail 9171082133393936147547**

Director Air Enforcement  
Office of Regulatory Enforcement  
U.S. Environmental Protection Agency  
Mail Code 2242-A, Ariel Rios Building  
1200 Pennsylvania Avenue, NW  
Washington, D.C. 20460-0001



Re: Northern District of Indiana, Hammond Division  
Civil action No. 2:96 CV 095 RL  
Western Refining Yorktown, Inc.  
Paragraph 15: Annual Heater and Boiler Update  
and Schedule for Installation of NO<sub>x</sub> Controls

**For Information Only – No EPA Action Required**

Dear Madam or Sir:

Attached please find the **2010 Annual Heater and Boiler Update** for Western Refining Yorktown, Inc. ("Western Yorktown"), submitted pursuant to Paragraph 15.H.iii of Second Amendment of the above captioned Consent Decree.

Following submittal of our 2009 Annual Heater and Boiler Update on December 29, 2009, project work was proceeding toward a final selection of either Option 2 (control on the two boilers, B-1701 A & B) or 3 (controls on four selected process heaters, BA-101, F-101, F-303, and B-102) for 2010, as discussed in the 2009 update. During the first half of 2010, Western Yorktown Engineering spent a significant effort focusing on Option 2. On August 5, 2010, Western Refining, Inc. ("Western") announced the suspension of refining operations at Western Yorktown due to the poor outlook for East Coast refining margins. A safe and orderly shutdown of the Western Yorktown refinery process units was completed in September 2010. Western Yorktown will continue to operate as a terminal. Western is evaluating all strategic alternatives and if the situation improves, Western would consider restarting refining operations.

Please note that suspension of refining operations has resulted in the temporary shutdown of all process heaters at Yorktown subject to Paragraph 15.A in the Consent Decree. Only the two boilers subject to Paragraph 15.A remain in operation to support the terminal operation. The attachment to this report shows that the current terminal operation mode will more than effectively meet the NO<sub>x</sub> control requirements specified in Paragraph 15 of the Consent Decree on a temporary basis. Approximately 71% of total heat input is affected by this change in operation resulting in a NO<sub>x</sub> reduction of 265 tons/yr. As a comparison, implementation of the requirements in Paragraph 15 with the refinery operating would have been satisfied with the installation of controls on 33.3% of the total heat input and a NO<sub>x</sub> reduction of 40 tons/yr.

Due to the suspension of refining operations and the associated result that Western Yorktown is more than effectively meeting the NO<sub>x</sub> requirements of Paragraph 15 temporarily, Western Yorktown has put on hold the final selection of the NO<sub>x</sub> control strategy. If Western decides to restart the refinery operation, prior to that restart, Western Yorktown will submit a plan and schedule for meeting the NO<sub>x</sub> Control requirements of Paragraph 15 of this Consent Decree. If Western decides to permanently shutdown the refinery unit operation, Western Yorktown will submit a request to comply with Paragraph 15 using the control method allowed by Paragraph 15.E.iv "permanent shutdown of heaters and boilers with revocation of all operating permits". In the meanwhile, Western Yorktown will continue to submit annual reports as required by this Consent Decree.

Should you have any questions regarding this information, please contact Jane Kelley, Environmental, Health and Safety Manager at (757) 898-9732.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Rossi", with a stylized flourish extending from the end of the name.

John A. Rossi  
Vice President  
Western Refining Yorktown, Inc.

Attachment

cc:

Director, Air Enforcement Division  
U.S. Environmental Protection Agency  
c/o MATRIX Environmental & Geotechnical Services  
120 Eagle Rock Ave. (2<sup>nd</sup> Floor)  
East Hanover, NJ 07936

via Certified Mail  
9171082133393936147554

Ms. Jane A. Workman  
Tidewater Regional Office  
Department of Environmental Quality  
5636 Southern Boulevard  
Virginia Beach, Virginia 23462

via Certified Mail  
9171082133393936147561

Bruce Augustine  
USEPA, Region 3  
Air Protection Division (3APOO)  
1650 Arch Street  
Philadelphia, PA 19103

via Certified Mail  
9171082133393936147578

**Western Yorktown Refinery**  
**Annual Heater and Boiler Update Report 2010 (15.H.iii) and Schedule of Installation of Controls (15.D.ii)**

**Listing of Heaters and Boilers >40 mmbtu/hr Firing Capacity**

The following information is provided according to 15.H.iii of the Consent Decree (Second Amendment).

Source	Unit	For each he/bo controls already installed as per 15.E				For each he/bo expected to have controls installed in 2010 as per 15.E				Additional he/bo expected to be controlled	Demonstration that control of he/bo in (a)-(c) will meet requirements			
		(a)	(a)	(a)	(a)	(b)	(b)	(b)	(b)	(c)	(d)	(d)	(d)	
		NOx Controls Installed?	Control Technology Installed	NOx Emission Rate	Basis for Estimate	NOx Controls Expected to Be Installed in 2010?	Control Technology Installed	NOx Emission Rate	Basis for Estimate	NOx Controls Expected to Be Installed in Future?	Source Maximum Firing Rate	Sources to Be Controlled (see notes 4 and 5)	Controls will satisfy inequality (see note 7)	
		(Y/N)	(see note 1)	(lb/mmbtu)	(see note 2)	(Y/N)	(see note 1)	(lb/mmbtu)	(see note 2)	(Y/N)	(mmbtu/hr)	(mmbtu/hr)	(E-Baseline) <sub>i</sub>	(E-Final) <sub>i</sub>
B-101 (Crude Furnace)	CRUDE	N				Y	TSD	0	TSD	UNK	311	311	161	
BOILERS 1	UTIL	N				N				N	137.5			
BOILERS 2	UTIL	N				N				N	137.5			
BA-101 (DCU)	COKER	N				Y	TSD	0	TSD	UNK	97	97	34	
F-302 (Ultra)	ULTRA	Y	ULNB	0.04	EF	N/A				N/A	79	79	13	
B-102 (Vacuum Furnace)	CRUDE	N				Y	TSD	0	TSD	UNK	79	79	24	
F-303 (Ultra)	ULTRA	N				Y	TSD	0	TSD	UNK	50	50	20	
F-101 (DDU)	ULTRA	N				Y	TSD	0	TSD	UNK	44	44	14	

Sum (mmbtu/hr): 935 660  
Percent Controls (%): 70.6  
Req'd Percent Cntrls. (%): 33.3

- Notes: (1) ULNB = current generation ultra low NOx burners  
NGB = next generation ultra low NOx burners  
SCR = selective catalytic reduction  
Other = other control technology  
SD = permanent shutdown  
TSD = temporary shutdown from suspension of refining operations in September 2010  
(2) CEM = continuous emission monitor  
ST = stack test  
EF = Burner manufacturer's emission factor  
TSD = temporary shutdown from suspension of refining operations in September 2010  
(3) UNK= unknown at this time. Refinery operations suspended for the near future.  
(4) Must be at least 33.3% of total capacity of units rated at >40 mmbtu/hr (see paragraph 15.D.i)  
(5) Per CD Paragraph 15.D.ii: heater/boilers scheduled to be controlled utilizing ULNB.  
(6) Emissions estimation, per 2009 Updated Appendix A of Consent Decree (based on actual firing rates from 1999 and AP-42 factors)  
(7) Pursuant to CD Paragraph 15.F.iii, following installation of all controls required by paragraph 15.D.i., demonstrate that the allowable emissions from the controlled heaters / boilers satisfy the following inequality:  

$$\text{Sum (E-Final)}_i \leq \text{Sum (E-Baseline)}_i - 40, \text{ for } i = 1 - n$$

Sum (ton/yr): 265  
Total Reduction:  
Min. Req'd reduction: